



COUNTY OF ERIE

OFFICE OF COUNTY EXECUTIVE

Kathy Dahlkemper
COUNTY EXECUTIVE

When I took office, I made a promise to my constituents to move Erie County forward. In doing so I made a commitment to reinvigorating our economy, and ensuring a bright future for our region.

Today I am proud to introduce the County Budget Proposal for 2016, a budget that is not merely a compilation of line-items but rather, a comprehensive plan to ensure Erie County's economic vitality and growth. My team and I have worked countless hours to craft a budget that is a balance of cost-saving reductions and economically sound services.

The budget presented today works to put an end to reactive, short-term budgeting that is, unfortunately, far too common. I am putting forward a budget that addresses our fiscal situation in a manner that is not only responsible, but sustainable. As we must not be short-sighted in our long-term planning, I urge everyone to consider Erie County's future well-being as you review the budget being presented.

Along with my team, I have reviewed both revenue and expenses and continue to be dismayed by the state of our local economy. Erie County has not been successful in achieving sufficient economic growth for decades, and as a result, our revenue remains flat. Property values and population levels have been stagnant. Concurrently, operational costs in county government have increased due to rising costs of goods and services.

With all of this said, my team and I have been diligent in our commitment to cutting costs and producing a balanced budget. My administration has been ardent in trimming expenses. This year alone we have trimmed millions from the County budget.

- We saved \$2.7M in wage and fringe costs through various cost saving measures.
- We instituted a new policy of requiring supervisor approval prior to out-of-county travel, drastically reducing reimbursement costs in our Department of Human Services.
- As promised, by creating an IT department, we have saved money. As one example, implementing server virtualization saved tax payers \$400,000 in hardware/software costs this year alone.
- The closing of Pleasant Ridge Manor, a plan in place before I was elected and one my team has been implementing, will save the county approximately \$1.4M next year.

While these are significant savings, we cannot overcome our structural imbalance by cutting costs alone. A more comprehensive plan is needed, and I am confident that this budget is a tenet of Erie County's revitalization. To do so, we must increase revenue to allow for the maintenance of county services, and ensure we are able to serve the citizens of Erie County.

To maintain Erie County government's tradition of excellence, tough decisions must be made. I would like to commend County Council for discouraging the continued use of the reserve fund balance to support recurring operating costs. While this was a practice which was carried out under the previous administration, I do not support the use of reserve funds to balance the budget. This is a short-sighted and unsustainable practice.



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Our current financial position, coupled with debt inherited from the 2014 budget, has created a situation where action must be taken and difficult decisions must be made. As such, I am proposing a .45Mil tax increase. This translates to an increase of \$45 annually on a \$100,000 property, a modest price to pay for an investment in our future.

This is not a decision I have made lightly. And, as your County Executive, I have a responsibility to ensure the economic viability of our community. We all have a responsibility to our children and grandchildren to produce a fiscally sound budget that will not push the financial burden upon them in the future.

This proposed increase will serve two essential purposes in the coming year, both to maintain current service levels and to create opportunities to improve county government, all without depleting reserve funds. Over the past year, many services in Erie County have undergone an increase in the volume of their caseload. The additional costs we are incurring for these services are unavoidable, as many of these increases are the direct result of federal and state government mandates.

For example, the Erie County Office of Children and Youth services has been impacted by the implementation of Act 126, the Child Abuse and Recognition and Reporting Act. As a result, OCY has seen an average increase of 60% in investigations of serious child abuse since January of this year. This required us to add 13 additional employees in mid-2015.

In addition to maintaining county services, my proposed budget is an investment in our future as a community:

- We added positions to better facilitate an effective government, one being the inclusion of a Diversity Officer in Human Resources. County government needs to lead by having a diverse workforce that truly reflects our population.
- It includes the addition of a Grant Writer and Accreditation Coordinator in the Health Department, to help our region secure our share of state and federal funds. Our Health Department was 1 of 67 across the country to receive national accreditation from the CDC, and, we are proud to say, the only accredited health department in the State of Pennsylvania.
- The budget supports the Idea Lab at the Blasco Library, a program which fuels Erie's entrepreneurial culture by making innovation accessible to all. This program will make our library more about connections, not just collections. This will help us to grow into the innovative community we know we can be.
- We added a new position to the soon-to-be-relocated Planning Department, allowing our municipalities better access to our services which will enable them to implement their own planning ideas in their communities. We have had a true planning vacuum in Erie County for too long, and now is time to address it.
- The Public Safety Radio Project was kicked down the road for decades, and my administration has turned this vision into a reality. Funding this program will save countless lives of first responders and citizens alike. I thank County Council and the public safety community for all their work to move this forward.



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- This proposed budget facilitates projects already underway, such as our successful Summer JAMS program and Emerge 2040, our community's vision for the future, Both of which are stimulating economic growth throughout our community.

I believe every dollar given by our citizens is entrusted to us, and we carry a responsibility to use them wisely and transparently. The proposed budget is not only a responsible answer to our current fiscal situation, but also a visionary plan for Erie County's future.

I am optimistic about our future, and I am willing to make the difficult decisions that will move us to a vibrant place again. By working together, we can put forward a budget that justly serves the citizens of Erie County today, tomorrow and for generations to come, and I invite you to join me as we continue to move Erie County Forward.